

YOUNG CONAWAY STARGATT & TAYLOR, LLP

BEN T. CASTLE
SHELDON N. SANDLER
RICHARD A. LEVINE
RICHARD A. ZAPPA
FREDERICK W. IOBST
RICHARD H. MORSE
DAVID C. MCBRIDE
JOSEPH M. NICHOLSON
CRAIG A. KARSNITZ
BARRY M. WILLOUGHBY
JOSY W. INGERSOLL
ANTHONY G. FLYNN
JEROME K. GROSSMAN
EUGENE A. DIPRINZIO
JAMES L. PATTON, JR.
ROBERT L. THOMAS
WILLIAM D. JOHNSTON
TIMOTHY J. SNYDER
BRUCE L. SILVERSTEIN
WILLIAM W. BOWSER
LARRY J. TARABICOS
RICHARD A. DILIBERTO, JR.
MELANIE K. SHARP
CASSANDRA F. ROBERTS
RICHARD J.A. POPPER
TERESA A. CHEEK

NEILLI MULLEN WALSH
JANET Z. CHARLTON
ROBERT S. BRADY
JOEL A. WAITE
BRENT C. SHAFFER
DANIEL P. JOHNSON
CRAIG D. GREAR
TIMOTHY JAY HOUSEAL
MARTIN S. LESSNER
PAULINE K. MORGAN
C. BARR FLINN
NATALIE WOLF
LISA B. GOODMAN
JOHN W. SHAW
JAMES P. HUGHES, JR.
EDWIN J. HARRON
MICHAEL R. NESTOR
MAUREEND. LUKE
ROLIN F. BISSELL
SCOTT A. HOLT
JOHN T. DORSEY
M. BLAKE CLEARY
CHRISTIAN DOUGLAS WRIGHT
DANIELLE GIBBS
JOHN J. PASCHETTO
NORMAN M. POWELL

THE BRANDYWINE BUILDING
1000 WEST STREET, 17TH FLOOR
WILMINGTON, DELAWARE 19801

P.O. Box 391
WILMINGTON, DELAWARE 19899-0391

(302) 571-6600
(800) 253-2234 (DE ONLY)
FAX: (302) 571-1253

110 WEST PINE STREET
P.O. Box 594
GEORGETOWN, DELAWARE 19947
(302) 856-3571

(800) 255-2234 (DE ONLY)
FAX: (302) 856-9338

WWW.YOUNGCONAWAY.COM

DIRECT DIAL: (302) 571-6681
DIRECT FAX: (302) 576-3333
msharp@ycst.com

LISA A. ARMSTRONG
GREGORY J. BABCOCK
JOSEPH M. BARRY
SEAN M. BEACH
DONALD J. BOWMAN, JR.
TIMOTHY P. CAIRNS
KARA HAMMOND COYLE
MARGARET M. DIBIANCA
MARY F. DUGAN
ERIN EDWARDS
KENNETH J. ENOS
IAN S. FREDERICKS
JAMES J. GALLAGHER
SEAN T. GREECHER
STEPHANIE L. HANSEN
DAWN M. JONES
RICHARD S. JULIE
KAREN E. KELLER
JENNIFER M. KINKUS
EDWARD J. KOSMOWSKI
JOHN C. KUFFEL

SPECIAL COUNSEL
JOHN D. MCLAUGHLIN, JR.
ELENA C. NORMAN
KAREN L. PASCALE
PATRICIA A. WIDDOSS

KAREN LANTZ
TIMOTHY E. LENGKEEK
ANDREW A. LUNDGREN
MATTHEW B. LUNN
JOSEPH A. MALFITANO
ADRIA B. MARTINELLI
MICHAEL W. MCDERMOTT
MARIBETH L. MINELLA
EDMON L. MORTON
D. FON MUTTAMARA-WALKER
JENNIFER R. NOEL
ADAM W. POFF
SETH J. REIDENBERG
KRISTEN R. SALVATORE (PA ONLY)
MICHELE SHERRETTA
MONTE T. SQUIRE
MICHAEL P. STAFFORD
CHAD S.C. STOVER (SC ONLY)
JOHN E. TRACEY
MARGARET B. WHITEMAN
SHARON M. ZIEG

SENIOR COUNSEL
CURTIS J. CROWTHER

OF COUNSEL
BRUCE M. STARGATT
STUART B. YOUNG
EDWARD B. MAXWELL, 2ND

July 17, 2006

BY E-FILE AND HAND DELIVERY

The Honorable Joseph J. Farnan, Jr.
United States District Court for the District of Delaware
844 King Street, Lock Box 19
Wilmington, DE 19801

Re: NICE Systems, Inc. and NICE Systems, Ltd. v. Witness Systems Ltd.,
C.A. No. 06-311-JJF

Dear Judge Farnan:

I write on behalf of Plaintiffs, NICE Systems, Inc. and NICE Systems, Ltd. in response to the letter to the Court dated July 13 from William J. Marsden, defendant Witness Systems Inc.'s counsel. Mr. Marsden requested that the Court postpone setting a Rule 16 scheduling conference with the parties until after August 11, the date by which defendant's motion to transfer will be fully briefed. Plaintiffs oppose this request since it only serves to unnecessarily postpone movement of the case forward.

The scheduling of the Rule 16 conference will ensure that the parties meet and confer in accordance with Rule 26(f) without undue delay. The immediate preparation of a discovery plan and a proposed pre-trial schedule amongst the parties has no impact on "judicial economy" or the merits of the case. Furthermore, the Court's Rule 16 conference will focus the parties on the relevant issues including the scope of the litigation. Regardless of which Court ultimately hears this merits of this matter, all of these preliminary conferences, if completed as soon as practicable, can only have a positive impact on "judicial economy."

Additionally, transfer of this action to the Northern District of Georgia is unwarranted. This action involves a dispute between two Delaware corporations, plaintiff NICE

YOUNG CONAWAY STARGATT & TAYLOR, LLP

The Honorable Joseph J. Farnan, Jr.

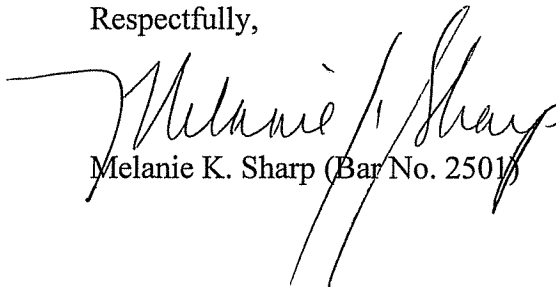
July 17, 2006

Page 2

Systems, Inc. (located in New Jersey) and defendant Witness Systems, Inc. The main reason asserted by the defendant for transferring the case is: (1) the existence of three cases in the Northern District of Georgia* and (2) the location of employees and former employees of defendant in Georgia. Neither warrants transfer. The Georgia cases involve different patents and inventors than the case before this Court. Two of the cases (*STS Software Systems, Ltd. v. Witness Systems, Inc.* filed on July 20, 2004; *Witness Systems, Inc. v. NICE Systems, Inc. and NICE Systems Ltd.* filed on August 30, 2004) have been pending for nearly two years and the third (*Witness Systems, Inc. v. NICE Systems, Inc. and NICE Systems Ltd.* filed on January 19, 2006) for 18 months, but no trial dates have been set in any of the three cases. What the defendant has not told the Court (in either its letter or its motion) is that the Georgia actions referenced in Mr. Marsden's letter are pending before three *different* judges; and that Witness *unsuccessfully* moved two of those judges to consolidate the cases, based on judicial efficiency, in 2005. Finally, the vast majority of the third party inventors of the patents in this case live in Connecticut.

Because NICE believes that the defendants request serves only to delay the case from moving forward without any legitimate reason, NICE requests the Court to schedule a Rule 16 conference and such that the parties may begin discovery.

Respectfully,



Melanie K. Sharp (Bar No. 2501)

MKS:itb

cc: William J. Marsden, Jr., Esquire